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MINISTRY OF FOOD & AGRICULTURE

(Department of Food)

NOTIFICATIONS

New Delhi, the 13th January 1965

G.S.R. 117.—In exercise of the powers conferred by section 44 of the Food Corporations Act, 1964 (37 of 1964), the Central Government hereby makes the following rules, namely :—

1. **Short title.**—These rules may be called the Food Corporations Rules, 1965.

2. **Definitions.**—In these rules, unless the context otherwise requires—

- (a) “Act” means the Food Corporations Act, 1964 (37 of 1964);
- (b) “Board” means a Board of Management established under section 16 of the Act;
- (c) “Chairman” means the Chairman of the board of directors of the Corporation;
- (d) “Corporation” means the Food Corporation of India established under section 3 of the Act;
- (e) “director” means a director of the Corporation;
- (f) “managing director” means the managing director of the Corporation;
- (g) “member” means a member of the Board.

3. **Term of office of Chairman, managing director and other directors.**—(1) The term of office of the Chairman shall be one year from the date of his assumption of office as Chairman.

(2) The term of office of the managing director and of a director, not being an officer of Government, shall be three years from the date of assumption of office by such managing director or director, as the case may be.

(3) A director, being an officer of Government, shall hold office during the pleasure of the Central Government.

(4) An outgoing Chairman, managing director or other director shall be eligible for reappointment.

4. **Filling of casual vacancies among directors.**—In the event of the occurrence of any vacancy in the office of a director by reason of his death, resignation, removal or otherwise, the Central Government may appoint another person in his place and a person so appointed shall hold office only so long as the director whose place he fills would have been entitled to hold office if the vacancy had not occurred :

Provided that no casual vacancy occurring within three months of the date of expiry of the normal term of office of a director shall be filled under this rule.

5. **Remuneration of Chairman.**—The Chairman shall be entitled to rent-free accommodation suitable to his status, a car for his use and such fees and travelling and daily allowances as are admissible under these rules to a director, not being a whole-time officer of the Corporation or an officer of Government.

6. **Fees of director.**—Every director, not being a whole-time officer of the Corporation or an officer of Government, shall be paid fees by the Corporation for attending meetings as follows:

- (a) For attending meetings of the — Rs. 100 for each day of meeting.
Corporation.
- (b) For attending meetings of the — Rs. 50 for each day of meeting.
Executive Committee of the
Corporation.
- (c) For attending meetings of any — Rs. 50 for each day of meeting.
other committee constituted by
the board of directors of the
Corporation.

7. **Travelling and daily allowances payable to directors.**—(1) Every director, not being a whole-time officer of the Corporation or an officer of Government, performing journeys in connection with any work relating to the Corporation, shall be entitled to travel, at his discretion, by air or by rail in first-class or A.C.C., wherever available.

(2) Every such director shall be entitled to the following travelling and daily allowances, namely :—

(i) *Travelling Allowance*

A. By Air

- (a) one standard air fare;
- (b) incidental expenses at one-fifth of the standard air fare for each single journey subject to maximum of Rs. 30/-.

B. By Rail

- (a) A.C.C. or first-class rail fare, as the case may be;
- (b) incidental expenses at 35 paise per every 10 kilometre or part thereof if it exceeds 5 kilometres.

NOTE I.—In cases of air journeys involving overnight halt (either due to non-availability of connective service or due to the cancellation of the connective service) at intermediary stations, for which the Indian Airlines Corporation does not provide, at its expense, any facility for boarding or lodging to the touring member, he shall be entitled, in respect of each such overnight halt, to one-half of the daily allowance admissible to him in addition to the incidental expenses.

NOTE II.—While performing journeys by air, he shall purchase return ticket, wherever it is available, when it is expected that the return journey can be performed before the expiry of the period for which the return ticket is available.

NOTE III.—In respect of journeys by road from residence to the air booking office or railway station and from these points to the headquarters of the Corporation, he shall also be entitled to a road mileage at 32 paise per kilometre.

(ii) *Daily Allowance*

- (a) For each day of the meeting, he shall be entitled to a daily allowance at Rs. 35/- per day.

(b) In addition to the daily allowance for the days of the meeting, he shall also be entitled to full daily allowance for the day preceding the day of the meeting or the day following the day of the meeting if—

(i) he arrives in the forenoon of the day immediately preceding the day of the meeting or on an earlier day; or

(ii) he departs in the afternoon of the day following the day of the meeting or on a later day;

Provided that he shall be entitled to only one-half of the daily allowance for the day preceding the day of the meeting or the day following the day of the meeting if—

(i) he arrives in the afternoon of the day preceding the day of the meeting; or

(ii) he departs in the forenoon of the day following the day of the meeting.

8. Travelling and daily allowances of directors, being whole-time officers of the Corporation or officers of Government.—(1) Every director, being a whole-time officer of the Corporation or an officer of Government, shall be entitled to such travelling and daily allowances as are admissible under the rules applicable to him for journeys performed on official duty.

(2) Where any travelling or daily allowance is paid to a director, being an officer of Government, the Corporation shall make necessary arrangements for the re-imbursement of the amount so paid to the authority employing such officer.

9. Conveyance allowance payable to directors.—(1) A director, not being a whole-time officer of the Corporation or an officer of Government, resident at a place where the meeting of the Corporation is held, shall not be entitled to any travelling or daily allowance under rule 7, but he shall be entitled to the actual cost of conveyance hire, subject to a maximum of Rs. 20/- per day.

(2) Where any such director uses his own car, he shall be entitled to a mileage allowance at 32 paise per kilometre, subject to a maximum of Rs. 20/- per day.

10. Appointment of officers and other employees.—(1) The Corporation may create such posts as it considers necessary for the efficient performance of its functions and appoint such officers and other employees thereto as it deems fit either on contract for a specific period or on a permanent basis:

Provided that no post carrying a basic pay of more than Rs. 2,000/- per month shall be created by the Corporation except with the previous sanction of the Central Government.

(2) Every person appointed to a permanent post shall be on probation for a period of one year and no such person shall be confirmed in that post unless his work was satisfactory during the period of probation.

(3) Without prejudice to the provisions of sub-rule (1), the Corporation may appoint officers and other employees—

(i) on deputation from Government or from any public sector or private sector undertaking; or

(ii) on a short-term basis from among persons who have been superannuated from the service of Government or of any public sector or private sector undertaking.

on such terms and conditions as the Corporation may specify.

(4) The pay and other terms and conditions of appointment of officers and other employees employed by the Corporation shall not be more advantageous than those obtaining in respect of similar posts in public sector undertakings or other recognised efficient business establishments and organisations.

11. Scale of pay, etc. of Secretary.—(1) The post of Secretary of the Corporation shall carry a scale of pay of Rs. 1800—50—2000;

Provided that where an officer belonging to the Indian Administrative Service is appointed as Secretary, he shall be entitled to draw a special pay of Rs. 300/- per month, in addition to his cadre pay.

(2) The term of office of Secretary shall be three years from the date of his assumption of office as Secretary.

(3) An outgoing Secretary shall be eligible for re-appointment.

12. Fees of members.—Every member, other than the senior most Executive Officer of the Corporation, shall be paid fees by the Corporation as follows:—

(a) For attending meetings of the Board ... Rs. 75/- for each day of the meeting.

(b) For attending meetings of any committee constituted by the Corporation. Rs. 40/- for each day of the meeting.

13. Travelling and daily allowances payable to members.—(1) Every member, not being a whole-time officer of the Corporation or an officer of Government, performing journeys in connection with any work relating to the Board, shall be entitled to be paid by the Corporation travelling and daily allowances.

(2) The provisions of rule 7 shall apply in relation to such member as they apply in relation to a director, not being a whole-time officer of the Corporation or an officer of Government, subject to the modification that such member shall be entitled to a daily allowance of only Rs. 25/- per day.

14. Travelling and daily allowances of members, being whole-time officers of the Corporation or officers of Government.—(1) Every member, being a whole-time officer of the Corporation or an officer of Government, shall be entitled to such travelling and daily allowances for the performance of journeys in connection with any work relating to the Board as are admissible under the rules applicable to him for journeys performed on official duty.

(2) Where any travelling or daily allowance is paid to a member, being an officer of Government, the Corporation shall make necessary arrangements for re-imbursement of the amount so paid to the authority employing such officer.

15. Conveyance allowance payable to members of Board of Management.—(1) A member, not being a whole-time officer of the Corporation or an officer of Government, resident at a place where a meeting of the Board is held, shall not be entitled to any travelling and daily allowance under rule 13, but he shall be entitled to the actual cost of conveyance hire, subject to a maximum of Rs. 15/- per day.

(2) Where any such member uses his own car, he shall be entitled to a mileage allowance at 32 paise per kilometre, subject to a maximum of Rs. 15/- per day.

16. Deposit in bank or investment in securities of surplus funds.—Any funds of the Corporation not required for current expenditure may be placed in fixed deposit with the Reserve Bank of India or the State Bank of India or any subsidiary of the State Bank of India or any scheduled or co-operative bank approved in this behalf by the Corporation or in personal deposit account of the Reserve Bank of India.

[No. F. 4-1/64-F.C.I.]

G.S.R. 118.—In exercise of the powers conferred by sub-section (4), read with sub-sections (1) and (2), of section 45 of the Food Corporations Act, 1964 (37 of 1964), the Central Government hereby makes the following regulations, namely:—

1. Short title.—These regulations may be called the Food Corporations Regulations, 1965.

2. Definitions.—In these regulations—

(a) "Act" means the Food Corporations Act, 1964 (37 of 1964);

(b) "board" means the board of directors referred to in section 6;

(c) "Chairman" means—

(i) in relation to the board, the chairman of the board;

(ii) in relation to the Executive Committee, the chairman of the Executive Committee;

(d) "committee" means a committee other than the Executive Committee, constituted under section 14;

- (e) "Corporation" means the Food Corporation of India established under section 3;
- (f) "director" means—
- (i) in relation to the board, a director of the board;
 - (ii) in relation to the Executive Committee, a director of the Executive Committee;
- (g) "Executive Committee" means the Executive Committee constituted under section 14;
- (h) "member" means a member of the committee;
- (i) "section" means a section of the Act.

3. **Time and place of meetings of board.**—The board shall meet at such times and places as the Chairman may, from time to time, determine:

Provided that the board shall meet once at least in every two months.

4. **Power to call a meeting of board.**—The Chairman may, at any time, call a meeting of the board and shall do so if a requisition for that purpose is presented to him in writing by not less than three directors specifying the subject of the meeting proposed to be called.

5. **Notice for meetings.**—(1) Not less than fifteen clear days' notice of every meeting of the board shall be given to each director who is for the time being in India.

(2) A notice may be served upon any director either personally or by post in an envelope addressed to such director.

(3) Any accidental omission to give any such notice to any of the directors shall not invalidate any resolution passed at any such meeting.

(4) Notwithstanding anything contained in sub-regulation (1), a meeting of the board at which any matter which is considered urgent by the Chairman has to be taken up, may be called at a shorter notice.

6. **Quorum.**—(1) No business shall be transacted at a meeting of the board unless there are present at least five directors.

(2) If within half an hour from the time appointed for holding the meeting, the quorum is not present, the meeting shall stand adjourned to a time, date and place to be determined by the Chairman:

Provided that the meeting so adjourned shall be held within seven days of the date on which it was originally proposed to be held.

(3) If at any such adjourned meeting also, the quorum is not present within half an hour from the time appointed for holding the meeting, the directors present at the meeting shall form the quorum.

7. **Presidency over meetings.**—(1) The Chairman shall preside over every meeting of the board.

(2) If the Chairman is not present at any such meeting, the directors present shall choose one from among themselves to be Chairman of the meeting.

8. **Adjournment of meeting.**—(1) The Chairman may, with the consent of the directors present at any meeting of the board, adjourn the meeting from time to time.

(2) No business other than that which is included in the agenda shall be transacted at any such adjourned meeting except with the consent of the Chairman.

(3) Notwithstanding anything contained in regulation 5, it shall not be necessary to give any notice of a meeting adjourned under this regulation.

9. **Transaction of business by circulation of papers.**—(1) Any business which it may be necessary for the board to transact may, if the Chairman so directs, be dealt with by circulation of papers under registered cover among all the directors for the time being in India at their usual address, and any resolution so circulated and approved by a majority of the members signing, shall be as effectual and binding as if the resolution had been passed at a meeting of the board.

(2) When any business is so referred to the directors by circulation, a period of not less than ten clear days shall be allowed for the receipt of replies from the directors, such period to be counted from the date on which the notice of business is issued.

(3) If a resolution is circulated, the results of circulation shall be communicated to all the directors.

10. Record of business.—(1) A record shall be maintained of all business transacted by the board.

(2) All decisions of the board shall, as far as possible be recorded in the form of resolutions and an entry of such decisions in the book of the proceedings of the board shall be conclusive evidence of the fact that such decisions were taken by the board.

(3) The proceedings of every meeting of the board shall be circulated to all the directors.

11. Times and places of meetings of Executive Committee.—The Executive Committee shall meet at such times and places as the Chairman may, from time to time, determine;

Provided that the Executive Committee shall meet once at least in every month.

12. Notice for meeting of Executive Committee.—(1) Not less than seven clear days' notice of every meeting of the Executive Committee shall be given to each director who is for the time being in India.

(2) A notice may be served upon any director either personally or by post in an envelope addressed to such director.

(3) Any accidental omission to give any such notice to any of the directors shall not invalidate any resolution passed at any such meeting.

(4) Notwithstanding anything contained in sub-regulation (1), a meeting of the Executive Committee at which any matter which is considered urgent by the Chairman has to be taken up, may be called at a shorter notice.

13. Quorum for meeting of the Executive Committee.—(1) No business shall be transacted at a meeting of the Executive Committee unless there are present at least three directors.

(2) If within half an hour from the time appointed for holding the meeting the quorum is not present, the meeting shall stand adjourned to a time, date and place to be decided by the Chairman:

Provided that the meeting so adjourned shall be held within seven days of the date on which it was originally proposed to be held.

(3) If at any such adjourned meeting also the quorum is not present within half an hour from the time appointed for holding the meeting the directors present shall form the quorum.

14. Presidency over meetings of Executive Committee.—(1) The Chairman shall preside over every meeting of the Executive Committee.

(2) If the Chairman is not present at any meeting, any other director duly authorised by the Chairman shall preside over the meeting of the Executive Committee.

15. Adjournment of meeting of Executive Committee.—(1) The Chairman may, with the consent of the directors present at the meeting, adjourn the meeting from time to time.

(2) No business other than that which is included in the agenda shall be transacted at any such adjourned meeting except with the consent of the Chairman.

(3) Notwithstanding anything contained in regulation 12, it shall not be necessary to give any notice of a meeting adjourned under this regulation.

16. **Voting.**—All matters submitted to a meeting of the Executive Committee shall be decided by a majority of the members present and voting thereat, and in case of an equality of votes, the Chairman or the person presiding shall have a casting vote, in addition to the vote to which he may be entitled as a member.

17. **Record of decisions.**—All decisions arrived at by the Executive Committee shall, as far as possible, be recorded in the form of resolutions and an entry of such decisions in the book of proceedings of the Executive Committee shall be conclusive evidence of the fact that such decisions were taken by the Committee.

18. **Fees of members.**—(1) Every member, not being a whole-time officer of the Corporation, or an officer of Government, performing journeys for attending the meetings of the committee or for attending to any other work of the Corporation, shall be entitled to be paid by the Corporation such fees, travelling allowance, daily allowance and conveyance allowance as are admissible under the Food Corporations Rules, 1965, to the members of the Board of Management established under section 16.

(2) Every member, being a whole-time officer of the Corporation or an officer of Government, shall be entitled to such travelling and daily allowances for the performance of journeys for attending the meetings of the committee or for attending to any other work of the Corporation, as are admissible under the rules applicable to him for journeys performed on official duty.

(3) Where any travelling and daily allowances are paid to a member, being an officer of Government, the Corporation shall make necessary arrangements for reimbursement of the amount so paid to the authority employing such officer.

[No. F. 4-1/64-F.C.I.]

KRISHAN CHAND, Addl. Secy.

